

2021 Virginia Telecommunication Initiative (VATI) Program Guidelines and Criteria



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Background

The issue of rural telecommunications is not only one of technology; it is essential infrastructure for modern community and economic development. Many rural communities in Virginia evolved around industry sectors that have dramatically declined—rail, textile, manufacturing, and resource extraction to name a few. Broadband availability promotes sustainability and growth of communities by providing access to health care, particularly through the introduction of telemedicine, which improves the local workforce, provides increased educational opportunities through distance learning, and encourages an entrepreneurial economy where new and existing home-based and small businesses are able to compete globally.

Rural communities continue to struggle to retain existing businesses due to slow, sporadic, or limited broadband services. Since the vast majority of businesses rely on the internet to perform business functions such as online banking, e-commerce transactions (i.e. sales and online payment processing), market development (i.e. online ads, websites, bulk-email, etc.), customer service through online chat or emails and internal/external communication, broadband connectivity is vital to the performance of businesses of all sizes. Broadband has gone from being a luxury to a full participation necessity in the twenty-first century economy.

Additional guidance and questions regarding project development or about the VATI, guidelines and criteria should be directed to:

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VATI email address

vati@dhcd.virginia.gov

Please refer questions regarding your application submittal through CAMS to Tammy L. Breski or Caroline Luxhoj.

Summary of Proposed Changes to the 2021 VATI Guidelines and Criteria

Unserved Areas

To better align with the federal definition of unserved, VATI unserved areas are defined as having broadband speeds at or below 25 Megabits per second (Mbps) download and 3 Megabits (Mbps) upload. Applicants are encouraged to prioritize areas lacking 10 Megabits per second download and 1 Megabits per second upload speeds, as they will receive significant priority in application scoring.

Universal Coverage

Broadband universal service, or coverage, is referred to as ensuring all citizens have access to the internet. It is DHCD's goal that all VATI projects submitted are helping achieve universal coverage. DHCD encourages applicants to ensure all projects fit into a larger plan to achieve universal broadband for the locality or region. *DHCD recognizes that due to the nature of wireless projects having an inherent potential of overlap it is strongly encouraged that applicants contact DHCD staff for assistance.* Applicants are discouraged from submitting projects that focus on pockets of density while not including nearby unserved, less dense areas.

Project Financing

Consistent with VATI's enabling budget language (*Item 114L of the 2020 Appropriations Act*); the private co-applicant must contribute a cash match to the total project cost. If the private co-applicant match is below 10% of total project cost, applicants must provide financial details demonstrating appropriate private investment in relation to the density and scope of the project.

VATI Notice of Application

Changed the public notice requirement to a VATI Notice of Application. All applicants are required to issue a VATI Notice of Application detailing their intent to apply for VATI and submit to DHCD for posting on the VATI webpage. The sample notice is provided by DHCD.

Challenge Process

Evidence of serviceability must be demonstrated by showing a reasonable number of customers within the area of claimed serviceable units.

The following requirements have been added to the VATI challenge process:

- Planned service to a proposed project area is eligible for the purpose of a challenge if state or federal funds have been awarded and the provider has committed to providing service to the project areas using these state or federal funds.
- Areas adjacent to state or federally funded areas may be eligible for a challenge if the challenger demonstrates existing awards would cover the adjacent area. The challenger must commit to serving the adjacent areas at speeds equal to or greater than the VATI deployment speed.

- A challenger must use the project area map submitted by the applicant to create a map indicating where the challenger’s serviceable units are located in the proposed project area. Challengers are encouraged to submit additional maps and information if necessary.
- A challenger that has been awarded state or federal funding must provide documentation detailing commitment to provide service in or adjacent to the proposed project area.

Implementation Deadline

- Changed the project completion timeline from 12 months to 18 months.
- DHCD will consider longer project timelines for larger project areas if applicants can sufficiently detail the reasoning for the extended timeline in their application. Projects that experience delays outside of the control of the applicant will also be eligible for extension at the discretion of DHCD staff.

Organizational and Management Capabilities

Private co-applicants that have not submitted a FCC Form 477 in previous years must provide additional documentation. Applicants must provide a detailed reason for not submitting, and information on business background including, but not limited to, number of customers, overview of assets, or equivalent information.

Evaluation Criteria

Based on the feedback during the debriefings from the 2020 VATI round, DHCD is sharing the application evaluation criteria for 2021.

Category	2020 Points	2021 Points
Demonstrated Need	100	120
Project Readiness	50	60
Budget and Cost Appropriateness	40	70
Commonwealth Priorities	15	50
Total	205	300

New evaluation criteria include the following:

- Moved marketing from **Demonstrated Need** category to **Project Readiness** category.
- Added digital literacy efforts under **Project Readiness** category.
- Changed locality assistance to ‘leverage’ under **Project Readiness** category.
- Provided specific guidance on the **Commonwealth Priorities** category.

Program Description

Administered by the Virginia Department of Housing and Community Development (DHCD), the Virginia Telecommunication Initiative (VATI) enhances the sustainability and growth of communities throughout the Commonwealth by preparing those communities to build, utilize, and capitalize on telecommunications infrastructure. Consistent with the enabling budget language, DHCD will award up to \$19,000,000 in Fiscal Year (FY) 2021 to eligible applicants to provide last-mile services to unserved areas of the Commonwealth. This budget is subject to amendment, up or down, during a forthcoming special session of the Virginia General Assembly. A portion of the VATI funds is authorized to be used for administrative support of the program. DHCD reserves the right to award any amount to eligible grantees, depending entirely on the quality and quantity of applications received. Please note VATI funding is contingent upon final approval of the 2020-2022 biennial budget by the General Assembly and may be subject to change.

The primary objective of VATI is to provide financial assistance to supplement construction costs by private sector broadband service providers, in partnership with local units of government, to extend service to areas that presently are unserved by any broadband provider.

Freedom of Information Act (FOIA)

DHCD has the legal authority with the following information contained in a public record and is exempt from the mandatory disclosure provisions of the Virginia Freedom of Information Act (FOIA): “information related to a grant application, or accompanying a grant application, submitted to the Department of Housing and Community Development that would (i) reveal (a) trade secrets, (b) financial information of a grant applicant that is not a public body, including balance sheets and financial statements, that are not generally available to the public through regulatory disclosure or otherwise, or (c) research-related information produced or collected by the applicant in the conduct of or as a result of study or research on medical, rehabilitative, scientific, technical, technological, or scholarly issues, when such information has not been publicly released, published, copyrighted, or patented, and (ii) be harmful to the competitive position of the applicant.” Applicants wishing to receive FOIA exemption must submit a written request to DHCD and follow the FOIA policy, found on page 13.

Eligible Applicants

Applications must be submitted by a unit of government (Towns, Cities, Counties, Economic Development Authorities/Industrial Development Authorities, Broadband/Wireless Authorities, Planning District Commissions, School Divisions, etc.) with a private sector broadband provider as a co-applicant. Eligible projects must be owned and operated by the private sector co-applicant. Publicly owned networks are eligible for the program when partnered with a private sector co-applicant, so long as the private sector applicant is serving as the customer-facing internet service provider.

Selection Process

Awardees will be selected through a competitive application process. Application questions will be focused on the applicant's broadband needs as well as information related to ready-to-construct project(s) needing financial assistance to supplement construction costs. The applicant must demonstrate a readiness to proceed with an awarded project in a timely manner by the required deadline.

Any modifications made to an awarded project will be subject to the VATI challenge process detailed on page 9 if a new project area has been added.

Technical Assistance

DHCD staff is available to provide technical assistance on the development of an application and during the challenge process to units of local government, internet service providers, grant writers, consultants, and all other VATI stakeholders. Please reach out to DHCD staff and consult the broadband toolkit available at www.commonwealthconnect.virginia.gov/broadband-toolkit prior to engaging a private consultant. *DHCD staff strongly recommends engagement of technical assistance throughout project development.*

Universal Coverage

Governor Northam has set a goal for universal broadband coverage throughout the Commonwealth by 2028. To that end, DHCD encourages applicants to ensure all projects either achieve, or are part of, a plan to achieve universal broadband for the locality or region. Localities can find resources for developing a universal broadband plan on the Commonwealth Connect website at www.commonwealthconnect.virginia.gov/broadband-toolkit. *DHCD recognizes that due to the nature of wireless projects having an inherent potential of overlap it is strongly encouraged that applicants contact DHCD staff for assistance.* Applicants are discouraged from submitting projects that focus on pockets of density while not including nearby unserved, less dense areas. This tactic, also known as cherry picking, hurts the economics of serving the remaining areas in your community and will ultimately make it more difficult and costly to get all Virginians access to broadband coverage.

Eligible Areas

DHCD will award funding to applicants to provide last-mile services, including middle-mile networks, equipment, or other investments required to deliver last-mile service to unserved areas of the Commonwealth. Unserved areas are defined as having broadband speeds at or below 25 Megabits per second (Mbps) download and 3 Megabits (Mbps) upload. Areas lacking 10 Megabits per second download and 1 Megabits per second upload speeds will be given significant priority in application scoring. In addition, a proposed project area is considered eligible if 10 percent or fewer of serviceable units have access to service with no additional special construction costs from any provider as of the date of the application. Applicants are

discouraged from overbuilding served areas in proposed projects, as this will lower applicants' evaluation scores and may make projects ineligible for VATI funding.

Federal Funding

Applicants must do their due diligence to determine if their proposed VATI project area has in whole or in part been awarded federal broadband funds. These programs include, but are not limited to, Connect America Funds II (CAFII), ACAM, ReConnect and Community Connect. Projects with federal funds will be re-scoped to remove these area(s) from the project. In the event the VATI co-applicant has been awarded federal broadband funds, they cannot use those funds as match. However, they are encouraged to leverage their federal award and apply for VATI funding to extend service to areas beyond those that were awarded federal funds.

On March 17, 2020, the Federal Communications Commission (FCC) announced eligible census blocks for the Rural Digital Opportunity Fund (RDOF). VATI applicants are encouraged to review the [Rural Digital Opportunity Fund \(RDOF\) eligible census blocks](#) and plan their VATI application accordingly. VATI applicants must describe if there are any RDOF eligible census block in the proposed project area. In instances where RDOF census blocks have been awarded in VATI proposed project areas, RDOF funds will supersede VATI and the project must be re-scoped. If 50% or more of the proposed VATI project passings are included in awarded RDOF census blocks, the VATI application will be removed from further consideration.

Contact DHCD staff for all questions regarding federal funds during project development.

Multiple Applications

An applicant may submit one application with multiple service providers if the applicant can demonstrate how the providers are collaborating to achieve universal coverage for the locality or region. Service providers may submit an application with more than one unit of local government. Units of local government may submit multiple applications with different service providers and may include project areas that cross-jurisdictional boundaries.

An applicant may include non-contiguous service areas in a single application. If designating more than one service area in a single application, each service area must be clearly delineated, and the required data and budget information must be provided by each service area.

Project Financing

VATI funding shall not exceed 80 percent of the total project cost. Applicants should note that the program is competitive however, and that those projects that bring greater match to the application are more likely to receive higher evaluations scores.

Consistent with VATI's enabling budget language, the private co-applicant must contribute cash match to the total project cost. If the private co-applicant match is below 10% of total project

cost, applicants must provide financial details in their applications demonstrating appropriate private investment in relation to the density and scope of the project.

VATI Notice of Application

All applicants are required to issue a VATI Notice of Application detailing their intent to apply for VATI funding no later than Monday, July 13, 2020, at 5:00 p.m. Applicants must submit a copy of the VATI Notice of Application to DHCD at: vati@dhcd.virginia.gov. The sample notice is located in Appendix A. VATI Notice of Applications will be posted on DHCD's VATI webpage no later than Friday, July 17, 2020.

Challenge Process

Prospective challengers are ***strongly encouraged*** to contact applicants directly and discuss the contested project area before submitting a challenge as project areas can often be re-scoped to remove overlap. Evidence of serviceability must be demonstrated by showing a reasonable number of customers within the area of claimed serviceable units.

Planned service to a proposed project area is eligible for the purpose of a challenge if state or federal funds have been awarded and the provider has committed to providing service to the areas using these state or federal funds. Areas adjacent to state or federally funded areas may be eligible for a challenge if the challenger demonstrates existing awards will cover the adjacent area. The challenger must commit to serving the adjacent areas at speeds equal to or greater than the VATI deployment speed.

DHCD will post electronic copies of all submitted applications to the agency website within five business days after the August 17, 2020 application deadline. Providers wishing to submit a challenge must provide the information required in this section no later than 5:00 p.m. on September 23, 2020. Applicants will be notified if their proposed project area is being challenged and will have 15 business days from notification of a challenge to provide rebuttal information to DHCD.

Providers wishing to submit challenges on multiple applications must submit a separate challenge for each application. Challenges can be made to portions of a proposed project area without invalidating the entire project. DHCD reserves the right to invalidate a portion(s) of a proposed project area, aggregate challenges by different providers to determine percentage of serviceable units served in a proposed project area, and invalidate insufficient challenges. Challengers must demonstrate that more than 10% of serviceable units in the project area have access to speeds above 25/3 mbps as of the date of the application or that the application is ineligible as a result of committed state or federal funding subject to the conditions described above.

DHCD must receive all of the information detailed below or the challenge will be deemed incomplete and invalid. Challengers must provide:

1. A signed and notarized affidavit affirming the challenge and attached information is true.

2. Current Federal Communications Commission (FCC) Form 477 or equivalent.
3. Minimum/maximum speeds available in the proposed project area.
4. Number of serviceable units within the proposed project area. Provide the speeds those serviceable units are able to receive.
5. Street level data of customers receiving service within the proposed project area.
6. Using the project area map submitted by the applicant, create a map indicating where the challenger's serviceable units are located in the proposed project area. Challengers are encouraged to submit additional maps and information if necessary.
7. If challenging due to planned state or federal funding, documentation detailing commitment to provide service in or adjacent to the proposed project area.

DHCD will review all applicable challenge and rebuttal information to determine if a challenge is credible. DHCD reserves the right to request verified speed tests on all or portion(s) of the challenged area. DHCD reserves the right to re-scope any credibly challenged VATI application and fund portion(s) of a credibly challenged application. The Department shall notify the applicant and challenger in writing if a challenge is credible no later than 5:00pm on November 9, 2020.

Implementation Deadline

Applicants must demonstrate that projects will be completed within 18 months. The project timeline begins with the contract execution between the applicant and DHCD. DHCD will consider longer project timelines for larger project areas if applicants can sufficiently detail the reasoning for an extended timeline in their application. Applicants are encouraged to phase larger scale projects, and DHCD reserves the right to fund only a phase(s) of a project. Extensions are available for awarded projects that encounter delays due to circumstances outside of the applicants' control. Contact DHCD staff for all questions regarding project scope.

Organizational and Management Capabilities

To participate in VATI, applicants and co-applicants must demonstrate suitable organizational and management capabilities. To determine whether applicants meet this criterion, applicants and private sector partner(s), must submit the following documents and/or attest to each of the following:

1. Documentation that proposed project area is unserved based on VATI criteria.
2. Private co-applicant must provide proof that they have filed an FCC Form 477 for two years prior to submission of application. If private co-applicant has not submitted an FCC Form 477 in previous years, the co-applicant must provide reasoning for not submitting, business background, number of customers, overview of assets, or equivalent information.
3. Projects must be fully-financed through a combination of the total requested VATI funds, committed matching funds from the applicants, and in-kind resources.

4. Private co-applicants must document current assets (i.e. total amount of available cash and equivalents, callable capital, in an amount no less than the proposed committed funding or a commitment letter for financing) in the amount of match funds committed for the project at the time of application. Per VATT's enabling budget language, the private co-applicant must contribute an appropriate level of match to the total project cost.
5. Applicants must be in good standing in performance of any and all existing Commonwealth of Virginia contracts and in compliance with all federal, state, and local laws.

Proposal Due Date

Proposals are to be submitted by **11:59 p.m.** on August 17, 2020. Please note that DHCD offices close at 5:00 p.m. Therefore, staff will not be available to provide CAMS technical assistance after 5:00 p.m.

Evaluation Criteria

Project Description and Need (Maximum of 120 points)

Describe the fundamentals of the project, including:

- Overview of the project area and how it was determined
- Amount of overlap from existing providers and how it was determined
- Number of serviceable units passed and the breakdown of those passings
- Internet speeds to be offered
- Network design

Project Readiness (Maximum of 60 points)

Describe the capacity to successfully implement the project, including:

- Breakdown of matching funds and in-kind resources
- Additional leverage to improve the project
- Marketing activities, including digital literacy efforts, to ensure a sufficient take rate
- Description of the project management plan, including key contacts, projected timeline, and history of managing similar projects/grants

Project Budget and Cost-Appropriateness (Maximum of 70 points)

Describe the project budget, including:

- Detailed project budget, including derivation of costs and documentation of cost estimates, delineated by each service area
- Information to calculate the Cost Benefit Index score

Commonwealth Priorities (Maximum of 50 points)

Describe how the project would reflect priorities of the Commonwealth, including:

- How the project fits into a larger plan for universal broadband coverage
- Passings of significant impact
- Unique partnerships involved in the project
- Digital equity efforts

Application Questions

Project Description and Need (120 points)

1. Describe why and how the project area(s) was selected. Describe the proposed geographic area including specific boundaries of the project area (e.g. street names, local and regional boundaries, etc.). Attach a copy of the map of your project area(s). Label map: Attachment 1 – Project Area Map.
2. List existing providers in the proposed project area and the speeds offered. Please do not include satellite. Describe your outreach efforts to identify existing providers and how this information was compiled with source(s).
3. Describe if any areas near the project have received funding from federal grant programs, including but not limited to Connect America Funds II (CAF II), ACAM, ReConnect, and Community Connect. If there have been federal funds awarded near the project, provide a map verifying the proposed project area does not conflict with these areas. Describe if there are Rural Digital Opportunity Fund (RDOF) eligible census blocks located in the proposed project area. Label Map: Attachment 2 – Documentation on Federal Funding Area.
4. Overlap: To be eligible for VATI, applicants must demonstrate that the proposed project area(s) is unserved. An unserved area is defined as an area with speeds of 25/3 mbps or less and with less than 10% service overlap within the project area. Describe any anticipated service overlap with current providers within the project area. Provide a detailed explanation as to how you determined the percentage overlap. Label Attachment: Attachment 3 – Documentation Unserved Area VATI Criteria. **(up to 15 points)**
5. Total Passings: Provide the number of total serviceable units in the project area. Applicants are encouraged to prioritize areas lacking 10 Megabits per second download and 1 Megabits per second upload speeds, as they will receive priority in application scoring. For projects with more than one service area, each service area must have delineated passing information. Label Attachment: Attachment 4 – Passings Form
 - a. Of the total number of passings, provide the number of residential, business, non-residential, and community anchors in the proposed project area. Describe the methodology used for these projections. **(up to 55 points total; up to 35 points for overall passings, up to 10 points for businesses, up to 10 points for community anchor institutions)**
 - b. Provide the number of serviceable units in the project area that have 10/1 mbps or less. Describe the methodology used for these projections. **(up to 20 points)**
6. For wireless projects only: Please explain the ownership of the proposed wireless infrastructure. Please describe if the private co-applicant will own or lease the radio mast, tower, or other vertical structure onto which the wireless infrastructure will be installed.

7. **Speeds:** Describe the internet service offerings, including download and upload speeds, to be provided after completion of the proposed project. Detail whether that speed is based on dedicated or shared bandwidth, and detail the technology that will be used. This description can be illustrated by a map or schematic diagram, as appropriate. List the private co-applicant's tiered price structure for all speed offerings in the proposed project area, including the lowest tiered speed offering at or above 25/3 mbps. **(up to 30 points)**
8. **Network Design:** Provide a description of the network system design used to deliver broadband service from the network's primary internet point(s) of presence to end users, including the network components that already exist and the ones that would be added by the proposed project. Provide a detailed explanation of how this information was determined with sources. If using a technology with shared bandwidth, describe how the equipment will handle capacity during peak intervals. For wireless projects, provide a propagation map for the proposed project area with a clearly defined legend for scale of map. Label Map: Attachment 5 – Propagation Map Wireless Project.

Project Readiness (60 points)

9. Describe the current state of project development, including but not limited to: planning, preliminary engineering, identifying easements/permits, status of MOU or MOA, and final design. Prepare a detailed project timeline or construction schedule, identifying specific tasks, staff, contractor(s) responsible, collection of data, etc., and estimated start and completion dates. Applicants must include Memorandums of Understanding (MOUs) or Memorandums of Agreement (MOAs) between applicants (drafts are allowable). Label Attachments: Attachment 6 – Timeline/Project Management Plan; Attachment 7 – MOU/MOA between Applicant/Co-Applicant; **(up to 15 points)**
10. **Matching funds:** Complete the funding sources table indicating the cash match and in-kind resources from the applicant, co-applicant, and any other partners investing in the proposed project (VATI funding cannot exceed 80 percent of total project cost). In-kind resources include, but are not limited to: grant management, acquisition of rights of way or easements, waiving permit fees, force account labor, etc. Please note that a minimum 20% match is required to be eligible for VATI, the private sector provider must provide 10% of the required match. If the private co-applicant cash match is below 10% of total project cost, applicants must provide financial details demonstrating appropriate private investment. Label Attachments: Attachment 8 - Funding Sources Table; Attachment 9 – Documentation of Match Funding; **(up to 20 points)**
11. **Leverage:** Describe any leverage being provided by the applicant, co-applicant, and partner(s) in support of the proposed project. **(up to 10 points)**
12. **Marketing:** Describe the broadband adoption plan.
 - a. Explain how you plan to promote customer take rate, including marketing activities, outreach plan, and other actions to reach the identified serviceable units

within the project area. Provide the anticipated take rate and describe the basis for the estimate. **(up to 10 points)**

- b. Describe any digital literacy efforts to ensure residents and businesses in the proposed project area sufficiently utilize broadband. Please list any partnering organizations for digital literacy, such as the local library or cooperative extension office. **(up to 5 points)**

13. Project Management: Identify key individuals who will be responsible for the management of the project and provide a brief description of their role and responsibilities for the project. Present this information in table format. Provide a brief description of the applicant and co-applicant's history and experience with managing grants and constructing broadband communication facilities. Please attach any letters of support from stakeholders. If applicant is not a locality(s) in which the project will occur, please provide a letter of support from that locality. Attachment 10 – Letters of Support.

Project Budget and Cost Appropriateness (70 points)

14. Budget: Applicants must provide a detailed budget that outlines how the grant funds will be utilized, including an itemization of equipment, construction costs, and a justification of proposed expenses. If designating more than one service area in a single application, each service area must have delineated budget information. For wireless projects, please include delineated budget information by each tower. Expenses should be substantiated by clear cost estimates. Include copies of vendor quotes or documented cost estimates supporting the proposed budget. Label Attachments: Attachment 11 – Derivation of Costs; Attachment 12 - Documentation of Supporting Cost Estimates. **(up to 10 points)**

15. The cost benefit index is comprised of three factors: (i) state share for the total project cost, (ii) state cost per unit passed, and (iii) the internet speed. From these statistics, individual cost benefit scores are calculated and averaged together to create a point scale for a composite score. Provide the following:

- a. Total VATI funding request
- b. Number of serviceable units
- c. Highest residential speed available in proposed project area
 - i. **(up to 60 points)**

Commonwealth Priorities (50 points)

16. Additional points will be awarded to proposed projects that reflect Commonwealth priorities. If applicable, describe the following:

- a. How the proposed project fits into a larger plan to achieve universal broadband coverage for the locality. Explain the remaining areas of need in the locality and a brief description of the plan to achieve universal broadband coverage.

- b. Businesses, community anchors, or other passings in the proposed project area that will have a significant impact on the locality or region because of access to broadband.
- c. Unique partnerships involved in the proposed project. Examples include electric utilities, universities, and federal/state agencies.
- d. Digital equity efforts to ensure low to moderate income households in the proposed project area will have affordable access to speeds at or above 25/3 mbps.

Additional Information

17. Provide any other information that the applicant desires to include. Applicants are limited to four additional attachments.

Label Additional Attachments as:

- a. Attachment 13 – Two most recent Form 477 submitted to the FCC or equivalent
- b. Attachment 14 – XXXXXXXX
- c. Attachment 15 – XXXXXXXX
- d. Attachment 16 – XXXXXXXX
- e. Attachment 17 – XXXXXXXX

List of Required Attachments

*All Attachments **MUST** be uploaded in PDF format

1. Map(s) of project area, including proposed infrastructure
2. Documentation of Federal Funding (CAF/ACAM/USDA, etc...) in and/or near proposed project area.
3. Documentation that proposed project area is unserved based on VATI criteria
4. Passings Form (Please use template provided)
5. Propagation Map if Wireless Project
6. Timeline/Project Management Plan
7. MOU/MOA between applicant/co-applicant (can be in draft form)
8. Funding Sources Table
9. Documentation for match funding
10. Letters of Support
11. Derivation of Cost (Project Budget)
12. Documentation supporting project costs (e.g. vendor quotes)
13. Two most recent Form 477 submitted to FCC

Virginia Telecommunication Initiative (VATI) Freedom of Information (FOIA) Policy

Effective July 1, 2019

§ 2.2-3705.6:

(32) Information related to a grant application, or accompanying a grant application, submitted to the Department of Housing and Community Development that would (i) reveal (a) trade secrets, (b) financial information of a grant applicant that is not a public body, including balance sheets and financial statements, that are not generally available to the public through regulatory disclosure or otherwise, or (c) research-related information produced or collected by the applicant in the conduct of or as a result of study or research on medical, rehabilitative, scientific, technical, technological, or scholarly issues, when such information has not been publicly released, published, copyrighted, or patented, and (ii) be harmful to the competitive position of the applicant. The exclusion provided by this subdivision shall only apply to grants administered by the Department, the Director of the Department, or pursuant to § 36-139, Article 26 (§ 2.2-2484 et seq.) of Chapter 24, or the Virginia Telecommunication Initiative as authorized by the appropriations act.

In order for the information submitted by the applicant and specified in this subdivision to be excluded from the provisions of this chapter, the applicant shall make a written request to the Department:

- a. Invoking such exclusion upon submission of the data or other materials for which protection from disclosure is sought;*
- b. Identifying with specificity the data, information, or other materials for which protection is sought; and*
- c. Stating the reasons why protection is necessary.*

The Department shall determine whether the requested exclusion from disclosure is necessary to protect the trade secrets or confidential proprietary information of the applicant. The Department shall make a written determination of the nature and scope of the protection to be afforded by it under this subdivision.

Virginia Telecommunication Initiative (VATI) Freedom of Information (FOIA) Policy

All entities requesting Freedom of Information (FOIA) exemption for information pertaining to the VATI program shall submit the request for exemption in writing detailing the documentation to vati@dhcd.virginia.gov. DHCD FOIA exemptions do not extend to local government co-applicants. Only materials submitted to DHCD directly are subject to consideration for a FOIA-exemption. Pursuant to 2.2-3705.6-32, the Department of Housing and Community Development (DHCD) will make a written determination within ten (10) days of the request as to whether FOIA-exemption will be afforded as well as the nature and scope of the protection. Upon receipt of the written determination from DHCD documents must be submitted to vati@dhcd.virginia.gov. All exempted information will be securely maintained and accessed by VATI staff only.

Grant Applications

Consistent with VATI Guidelines, DHCD will continue to make available online submitted VATI applications. DHCD respects the right of the public to access to public information about the VATI program and encourages applicants to only request a FOIA-exemption when absolutely necessary. Applications submitted through CAMS must only include information that is open to the public.

Applicants may request to submit supplementary information to the application that includes a FOIA-exemption, pursuant to “§ 2.2-3705.6” for information related to a grant application that may make the application more competitive. FOIA-exemption requests must be sent directly to vati@dchd.virginia.gov, and the applicant must indicate for which VATI application the information corresponds. Applicants wishing to submit multiple FOIA exemption requests for multiple VATI applications must do so individually in separate requests.

In order for the information submitted by the applicant and specified in this subdivision to be excluded from the provisions of this chapter, the applicant shall make a written request to the Department:

- a. Invoking such exclusion upon submission of the data or other materials for which protection from disclosure is sought;*
- b. Identifying with specificity the data, information, or other materials for which protection is sought; and*
- c. Stating the reasons why protection is necessary.*

The Department shall determine whether the requested exclusion from disclosure is necessary to protect the trade secrets or confidential proprietary information of the applicant. The Department shall make a written determination of the nature and scope of the protection to be afforded by it under this subdivision.

Challenge Applications

Prospective challengers are strongly encouraged to contact applicants directly and discuss the contested project area before submitting a challenge. Many issues can be resolved without a formal challenge process.

Entities wishing to request FOIA exemption on information related to a VATI application challenge must submit any requested information directly to vati@dhcd.virginia.gov. Incumbents with information such as existing street level data in a proposed project area are required to submit a challenge. Challengers wishing to request exemption for multiple challenges must do so individually, in separate requests. Applicants who have received a challenge will be notified and may request FOIA exemption, pursuant to “§ 2.2-3705.6,” for information pertaining to their rebuttal.

In order for the information submitted by the applicant and specified in this subdivision to be excluded from the provisions of this chapter, the applicant shall make a written request to the Department:

- a. Invoking such exclusion upon submission of the data or other materials for which protection from disclosure is sought;*
- b. Identifying with specificity the data, information, or other materials for which protection is sought; and*
- c. Stating the reasons why protection is necessary.*

The Department shall determine whether the requested exclusion from disclosure is necessary to protect the trade secrets or confidential proprietary information of the applicant. The Department shall make a written determination of the nature and scope of the protection to be afforded by it under this subdivision.

Grant Monitoring

Projects awarded VATI funds currently work with DHCD to monitor the completion and success of those projects. Entities wishing to request FOIA exemption on information relevant to evaluating the success of awarded projects, including take rate, must submit any requested information directly to vati@dhcd.virginia.gov

In order for the information submitted by the applicant and specified in this subdivision to be excluded from the provisions of this chapter, the applicant shall make a written request to the Department:

- a. Invoking such exclusion upon submission of the data or other materials for which protection from disclosure is sought;*
- b. Identifying with specificity the data, information, or other materials for which protection is sought; and*
- c. Stating the reasons why protection is necessary.*

The Department shall determine whether the requested exclusion from disclosure is necessary to protect the trade secrets or confidential proprietary information of the applicant. The Department shall make a written determination of the nature and scope of the protection to be afforded by it under this subdivision.

Definitions

Business – An organization or entity that provides goods or services in order to generate profit. Businesses based in residential homes can count if they are a registered business (BPOL, LLC, etc.).

Community Anchor - schools, libraries, medical and health care providers, public safety entities, community colleges and other institutions of higher education, and other community support organizations and agencies that provide outreach, access, equipment, and support services to facilitate greater use of broadband service by vulnerable populations, including low-income, unemployed, and the aged.

Digital Subscriber Line (DSL) – A technology for bringing high-bandwidth information to homes and small businesses over ordinary copper telephone lines.

Eligible Project Costs – Expenses eligible for reimbursement under the VATI grant.

Fiber-to-the-Home (FTTH) – A network that delivers internet service over optical fiber directly to an end-user home, business, or other Unit.

Fixed Wireless – Wireless devices or systems that are situated in fixed locations.

Hybrid Fiber Coaxial (HFC) – A broadband network combining optical fiber and coaxial cable.

Last-Mile – Components of a network that provide broadband service to end-user premises or devices through an intermediate point of aggregation (e.g. remote terminal, fiber node, wireless tower, or other equivalent access point).

Leverage-Non-match cash or non-match in-kind resources committed to a proposed project that do not qualify as match (i.e. federally funded projects like CAFII, A-CAM, etc.) or being used as match (i.e. volunteer labor, engineering or design, etc.).

Middle-Mile – Network components that provide broadband service from one or more centralized facilities (e.g. the central office, the cable head-end, the wireless switching station, or other equivalent centralized facilities) to an Internet point of presence.

Non-Residential Passing – Places of worship, federal, state, or local facilities or other potential customers that are neither a residence, business, or a community anchor institution (as defined above).

Passing – any structure that can receive service.

Peak Interval - Weekdays from 7:00 p.m. – 11:00 p.m. local time.

Service Area – Refers to the geographic territory in which an applicant has proposed to provide service.

Serviceable Units – Properties that are eligible for broadband service without additional special construction costs from the property owner/subscriber.

Street Level Data – Address ranges or specific addresses from an existing provider along with the existing number of customers within those ranges. No personal information on specific customers will be requested.

Unserved – Properties that currently have access to internet speeds at or below 25 Megabits per second (Mbps) download and 3 Megabits (Mbps) upload.

Appendix A-Sample VATI Application Notice

**2021 Virginia Telecommunication Initiative
SAMPLE VATI APPLICATION NOTICE FORMAT**

[Insert Date]

Tamarah Holmes, Ph.D
Director
Office of Broadband
Department of Housing and Community Development
600 East Main Street, Ste 300
Richmond, VA 23219

Dear Dr. Holmes:

I am providing this VATI Application Notice to notify the Virginia Department of Housing and Community Development of **[insert name of unit of local government] and [private provider (optional)]**'s may submit an application for the FY2021 Virginia Telecommunication Initiative (VATI).

[Name of unit of local government, organization] and [private provider (optional)] intends to submit an application for **[summary description of Project to be funded]** within approximately **[proposed Project Area(s)]**.

[Name] will be our main point of contact for the purposes of the application process, and can be reached at:

[Mailing Address]

[Phone Number]

[Email Address]

[Name of applicant government, organization and[private provider (optional)] understands that this VATI Application Notice is required in order to submit an application for the 2021 the Virginia Telecommunication Initiative and that this notice is not binding on the entity represented by the undersigned, Virginia Department of Housing and Community Development.

[Type the closing]

[signature]

Type the sender's name]

[Type the sender's title]